

Nebraska Public Service Commission

REQUEST FOR PROPOSAL

FOR CONTRACTUAL SERVICES FORM

On June 30, 2003, Aquila, Inc. filed with the Nebraska Public Service Commission ("Commission") three applications (NG-0001, NG-0002 and NG-0003) for general rate increases in its three rate areas. The Executive Director of the Commission is issuing this Request for Proposal for the purpose of selecting a qualified vendor to provide the services of the Public Advocate, specified in sections 30 through 35 of LB 790 (2003), related to Aquila's three general rate applications.

AQUILA'S THREE GENERAL RATE APPLICATIONS MAY BE FOUND AT:

<http://www.psc.state.ne.us>

PROPOSALS MUST MEET THE FOLLOWING REQUIREMENTS TO BE CONSIDERED VALID. PROPOSALS WILL BE REJECTED IF NOT IN COMPLIANCE WITH THESE REQUIREMENTS.

I. PROCUREMENT PROCEDURES

A. SCHEDULE OF EVENTS

The Executive Director expects to adhere to the tentative procurement schedule shown below. It should be noted, however, that some dates are approximate and subject to change.

ACTIVITY		DATE/TIME
1	Release Request for Proposal	July 8, 2003
2	Proposal Opening	July 15, 2003 at 5:00 p.m. (CDT)
3	Oral Interviews/Presentations and/or Demonstrations (if required)	July 16-18, 2003
4	Contract Award	July 21, 2003
5	Contractor Start Date	July 22, 2003

B. GENERAL INFORMATION

The Request for Proposal is designed to solicit proposals from qualified vendors who will be responsible for providing, at a competitive and reasonable cost, professional consulting services related to Aquila's three general rate applications. Proposals that do not conform to the mandatory items as provided in the **Proposal Instructions** will not be considered.

Proposals should conform to all instructions, conditions, and requirements included in the Request for Proposal. Prospective vendors are expected to carefully examine all documentation, schedules and requirements stipulated in this Request for Proposal, and respond to each requirement in the format prescribed.

C. FILING REQUIREMENTS

One (1) Original and one (1) copy of the entire proposal should be submitted by the Proposal Opening set forth in the above Schedule of Events to the following:

Nebraska Public Service Commission
Attn: Executive Director
1200 "N" Street, Suite 300
Lincoln, Nebraska 68508

An electronic copy of the proposal and any supporting papers in Microsoft Word format shall be sent electronically to the Executive Director of the Commission at apollock@mail.state.ne.us by the Proposal Opening. **NO late proposals will be accepted. NO fax proposals will be accepted.**

D. SCOPE OF THE WORK

The vendor will perform all of the following duties until the Executive Director of the Commission appoints a Public Advocate as an employee of the Commission:

1. The vendor will prepare a budget related to the scope of work to be submitted to the Executive Director.
2. The vendor will represent the interests of Nebraska citizens and all classes of Aquila's ratepayers, other than high-volume ratepayers in the proceeding on the three applications set forth above (the "Proceeding").
3. The vendor will protest Aquila's application or intervene in the Proceeding.
4. The vendor will represent and appear for ratepayers and the public in the Proceeding and in any negotiations or other measures to resolve disputes arising as a result of the proceeding.
5. The vendor will investigate the legality and reasonableness of the rates and charges proposed in Aquila's three applications.
6. The vendor will, subject to a budget approved by the Commission, hire, employ or contract with experts and consultants and other personnel necessary for the full and efficient discharge of the duties set forth in this Request for Proposal.
7. The vendor will, as necessary, enter into stipulations with other parties in the Proceeding to balance the interests of those the vendor represents with the interests of Aquila and other parties to the Proceeding as a means of improving the quality of resulting decisions and minimizing the cost of regulation.
8. The vendor will respond to motions filed by other parties and appear at hearings on such motions
9. The vendor will take whatever actions it deems necessary, including the preparation and services of data requests, other requests for information and discovery, and the filing of motions and other pleadings, to carry out the duties set forth in this Request for Proposal.
10. The vendor will, as necessary, make motions for rehearing or reconsideration, appeal or seek judicial review of the Commission's decision(s) on Aquila's applications and appear in such review proceedings.
11. The vendor will respond to any motions for rehearing or reconsideration, appeals or other actions for judicial review sought by other parties to the Proceeding and appear in such review proceedings.
12. The vendor will comply with all applicable laws, ex parte laws, rules and regulations, protective orders and other orders.

E. SUBMISSION OF PROPOSALS

The following describes the requirements related to proposal submission, proposal handling and review by the Executive Director of the Commission.

Data contained in the proposal and all documentation provided therein, become the property of the Commission and the data becomes public information upon opening the proposal. If the bidder wishes to have any information withheld from the public, such information must fall within the definition of proprietary information contained within Nebraska's public record statutes. **All proprietary information the bidder wishes the Commission to withhold must be submitted in a sealed package, which is separate from the remainder of the bid. The separate package must be clearly marked PROPRIETARY on the outside of the package.**

Proprietary information is defined as trade secrets, academic and scientific research work that is in progress and unpublished, and other information which if released would give advantage to business competitors and serve no public purpose (see Neb. Rev. Stat. §84-712.05(3)). In accordance with Attorney General Opinions 92068 and 97033, bidders submitting information as proprietary may be required to prove specific, named competitor(s) who would be advantaged by release of the information and the specific advantage the competitor(s) would provide. Although every effort will be made to withhold information that is properly submitted as proprietary and meets the State's definition of proprietary information, the Commission is under no obligation to maintain the confidentiality of proprietary information and accepts no liability for the release of such information.

Emphasis should be concentrated on conformance to the Request for Proposal instructions, responsiveness to requirements, completeness and clarity of content. If the vendor's proposal is presented in such a fashion that makes evaluation difficult or overly time consuming, it is likely that points will be lost in the evaluation process. Elaborate and lengthy proposals are neither necessary nor desired.

F. PROPOSAL OPENING

The sealed proposals will be publicly opened and the bidding organizations announced on the date, time and location specified in the Schedule of Events.

G. ORAL INTERVIEWS/PRESENTATIONS AND/OR DEMONSTRATIONS

The Executive Director may determine after the completion of its evaluation of the Proposal that oral interviews/presentations and/or demonstrations are required in order to determine the successful vendor. All prospective vendors that submitted bids may not have an opportunity to interview/present and/or give demonstrations. The presentation process will allow the vendors to demonstrate their proposal offering, explaining and/or clarifying any unusual or significant elements related to their proposals. Vendors' key personnel may be requested to participate in a structured interview to determine their understanding of the requirements of this proposal, their authority and reporting relationships within their firm, and their management style and philosophy. Vendors shall not be allowed to alter or amend their proposals. Only representatives of the Commission and the presenting prospective vendor will be permitted to attend the oral interviews/presentations and/or demonstrations.

Once the oral interviews/presentations and/or demonstrations have been completed the Executive Director reserves the right to make a contract award without any further discussion with the potential vendors regarding the proposals received.

Detailed notes of oral interviews/presentations and/or demonstrations may be recorded and supplemental information (such as briefing charts, etc.) may be accepted. Additional written information gathered in this manner shall not constitute replacement of proposal contents.

Any cost incidental to the oral interviews/presentations and/or demonstrations shall be borne entirely by the prospective vendor and will not be compensated by the State.

H. REJECTIONS OF PROPOSALS

The Executive Director reserves the right to reject any or all proposals, wholly or in part, or to award to multiple bidders in whole or in part. The Executive Director reserves the right to waive any deviations or errors that are not material, do not invalidate the legitimacy of the proposal and do not improve the vendors' competitive position. All awards will be made in a manner deemed in the best interest of the Executive Director.

I. PROPOSAL EVALUATION

The Executive Director will conduct a fair, impartial and comprehensive evaluation of all proposals in accordance with the criteria set forth below. The criteria for determining a responsible vendor shall include but not be limited to:

1. The ability, capacity and skill of the vendor to deliver and implement the project that meets the requirements of this Request for Proposal;
2. The character, integrity, reputation, judgment, experience and efficiency of the vendor;
3. Whether the vendor can perform the contract within the time frame provided for by law;
4. The quality of vendor performance on prior contracts;
5. Such other information that may be secured and that has a bearing on the decision to award the contract; and
6. Cost.

J. MANDATORY REQUIREMENTS

The proposals will first be examined to determine if all mandatory requirements listed below have been addressed to warrant further evaluation. Proposals not meeting mandatory requirements will be excluded from further evaluation. The mandatory requirement items are as follows:

1. Executive Summary;
2. Corporate Overview;
3. Technical Approach; and
4. Cost Proposal.

K. EVALUATION/WEIGHTS AND SCORING

All responses to this Request for Proposal that fulfill all mandatory requirements will be evaluated. Areas that will be addressed and considered during the technical evaluation include:

1. The Executive Summary;
2. Corporate Overview shall include but not be limited to;
 - a. The ability, capacity and skill of the vendor to deliver and implement the system or project that meets the requirements of this Request for Proposal;
 - b. The character, integrity, reputation, judgment, experience and efficiency of the vendor;
 - c. Whether the vendor can perform the contract within the specified time frame;
3. Technical Approach; and
4. Cost Proposal.

L. REFERENCE CHECKS

Information to be requested and evaluated from references may include, but is not limited to, some or all of the following: project description and background, job performed, functional and technical abilities, communication skills and timeliness, cost and schedule estimates and accuracy, problems (poor quality deliverables, contract disputes, work stoppages, etc.), overall performance, and whether or not the reference would rehire the firm or individual.

The Executive Director reserves the right to check any other reference(s) that might be indicated through the explicitly specified contacts or that result from communication with other entities involved with similar projects.

II. PROPOSAL INSTRUCTIONS

This section documents the mandatory requirements that vendors must satisfy in preparing the Technical and Cost Proposal. Vendors should identify the subdivisions of Section III clearly in their proposals; failure to do so may result in disqualification. Failure to respond to a specific requirement may be the basis for elimination from consideration during the Executive Director's comparative evaluation.

Proposals are due by the date and time shown in the Schedule of Events. Content requirements for the Technical and Cost Proposal are presented separately in the following subdivisions:

A. TECHNICAL PROPOSAL

The Technical Proposal shall consist of three (3) sections:

1. Executive Summary;
2. Corporate Overview; and
3. Technical Approach.

1. EXECUTIVE SUMMARY

The Executive Summary shall condense and highlight the contents of the solution being proposed by the vendor in such a way as to provide the Executive Director with a broad understanding of the vendor's Technical Proposal.

Vendors must present their understanding of the problems being addressed by implementing a new system, the objectives and intended results of the project, and the scope of work. Vendors shall summarize how their Technical Proposal meets the requirements of the Request for Proposal, and why they are best qualified to perform the work required herein.

2. CORPORATE OVERVIEW

The Corporate Overview section of the Technical Proposal must consist of the following subdivisions:

a. VENDOR IDENTIFICATION AND INFORMATION

The vendor must provide the full company or corporate name, address of the company's headquarters, entity organization (corporation, partnership, proprietorship), state in which the vendor is incorporated or otherwise organized to do business, certificate of authority to transact business in Nebraska, and Federal Employer Identification Number.

b. OFFICE LOCATION

The vendor's office location responsible for performance pursuant to an award of a contract with the State of Nebraska must be identified.

c. CONFLICT OF INTEREST

The vendor must provide assurance that the vendor has no conflict of interest, including, but not limited to, other projects or independent contracts, and the vendor must agree to not acquire any such conflicting interest during the agreement, either directly or indirectly, which would in any manner or degree conflict with the performance of services to be provided under the Scope of the Work.

d. SUMMARY OF VENDOR'S PROPOSED APPROACH

The vendor must present a detailed description of its proposed approach to the management of the project. The vendor shall include the proposed project team organization charts showing the following specific details:

- 1) the team leader level functional responsibilities,
 - The functional responsibilities shall include interactions and reporting requirements of each organizational unit at each level.

- 2) key personnel and descriptions of key positions and resumes of the proposed personnel.
 - The resumes, at a minimum, shall be required for the key personnel positions of the project manager and the technical team managers.
 - The Commission will consider the resumes as a key indicator of the vendor's understanding of the skill mixes required to carry out the requirements of the Request for Proposal in addition to assessing the experience of specific individuals.

e. PRIOR EXPERIENCE

The vendor shall provide detailed information on its prior experience in providing professional consulting services similar to those called for in this Request for Proposal.

f. REFERENCES

The vendor shall list one or more references, that is, persons or entities for whom the vendor has provided professional consulting services similar to those called for in this Request for Proposal.

g. SUBCONTRACTORS

If the vendor intends to subcontract any part of its performance hereunder, the vendor must provide:

- i. name, address and telephone number of the subcontractor(s);
- ii. specific tasks for each subcontractor;
- iii. percentage of performance hours intended for each subcontract; and
- iv. total percentage of subcontractor(s) performance hours.

3. TECHNICAL APPROACH

The technical approach section of the Technical Proposal must consist of a detailed project work plan.

B. COST PROPOSAL REQUIREMENTS

This section describes the requirements to be addressed by vendors in preparing the Cost Proposal.

1. The vendor's proposal shall list the standard hourly rates for each individual listed in the proposal as required in section II(A)(2)(d) above.
2. The vendor's proposal shall state and estimate of the total cost of the services to be provided under the above Scope of the Work, and shall categorize the elements of the total into recognizable and assessable categories.

The Executive Director reserves the right to review all aspects of the Cost Proposal for reasonableness and to request clarification of any proposal.